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**DISTRICT ATTORNEY OF THE TWENTY-THIRD**  
**JUDICIAL DISTRICT**

**PARISHES OF ASCENSION, ASSUMPTION,**  
**AND ST. JAMES, LOUISIANA**

**FINANCIAL REPORT**

**DECEMBER 31, 2013**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 23 2014

**DISTRICT ATTORNEY OF THE TWENTY-THIRD**  
**JUDICIAL DISTRICT**

**PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES, LOUISIANA**

**FINANCIAL REPORT**

**DECEMBER 31, 2013**

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**INDEPENDENT AUDITORS' REPORT**

The Honorable Ricky L. Babin  
District Attorney of the Twenty-Third  
Judicial District  
Parishes of Ascension, Assumption, and St. James, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District Attorney, as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 5 through 10, and pages 31 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about methods of preparing the information and comparing the information for consistency with management's response to our inquires, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2014, on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney's internal control over financial reporting and compliance.

*Portlethwaite + Natturilly*

Gonzales, Louisiana  
June 16, 2014



Postlethwaite  
& Netterville

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Ricky L. Babin  
District Attorney of the Twenty-Third  
Judicial District  
Parishes of Ascension, Assumption, and St. James, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the District Attorney of the Twenty-Third Judicial District (the "District Attorney") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated June 16, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District Attorney's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Postlithwait & Netturill*

Gonzales, Louisiana  
June 16, 2014



## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2013**

This section of District Attorney's annual financial report presents a discussion and analysis of the District Attorney's financial performance during the fiscal year that ended on December 31, 2013. Please read it in conjunction with the District Attorney's financial statements and the accompanying notes to the financial statements, which follow this section.

#### **FINANCIAL HIGHLIGHTS**

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations, total net position was \$1,996,807. Net position decreased by \$193,466 from the previous year of \$2,190,273.
- Total net position is comprised of the following:
  - (1) Invested in capital assets of \$82,133 represents the net book value of property and equipment.
  - (2) Restricted net position of \$114,959 represent the portion restricted for grant programs recorded in a special revenue fund.
  - (3) Unrestricted net position of \$1,799,715 represents the portion available to maintain continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance \$1,872,845. Fund balance for governmental funds decreased by \$162,771 from the previous year \$2,035,616.
- Total spending for all judicial activities was \$3,762,930, which was \$208,330 more than the fines and costs charged, and the grants and contributions received for these activities of \$3,554,600.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) – The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditors' report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2013**

#### **Government-wide Statements**

The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position and the Statement of Activities report information about the entity as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District Attorney's net assets and how they have changed. Net position—the difference between the District Attorney's assets and liabilities—is one way to measure the District Attorney's financial health, or financial position.

- Over time, increases or decreases in the District Attorney's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District Attorney are divided into two categories:

- Governmental activities—most of the District Attorney's basic services are included here. Fines and state and federal grants finance most of these activities.
- Fiduciary activities—Agency Funds are used to account for assets held by the Office of the District Attorney as an agent for other governments and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District Attorney's most significant funds—not the District Attorney's operations as a whole. Funds are accounting devices that the District Attorney uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The District Attorney has two kinds of funds:

- Governmental funds—Most of the District Attorney's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.
- Fiduciary funds—We exclude these activities from the District Attorney's government-wide financial statements because the District Attorney cannot use these assets to finance its operations.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2013**

**FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE (GWFS)**

The Statement of Net Position and the Statement of Activities reports only one type of activity—governmental activities. Most of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

Our analysis below focuses on the net position of the governmental-type activities:

**STATEMENTS OF NET POSITION**

	<b>2013</b>	<b>2012</b>
Current and other assets	\$ 1,972,943	\$ 2,128,160
Capital assets	82,133	112,789
<b>Total assets</b>	<b>2,055,076</b>	<b>2,240,949</b>
Current liabilities	58,269	50,676
<b>Total liabilities</b>	<b>58,269</b>	<b>50,676</b>
Invested in capital assets	82,133	112,789
Restricted	114,959	115,229
Unrestricted	1,799,715	1,962,255
<b>Total net position</b>	<b>\$ 1,996,807</b>	<b>\$ 2,190,273</b>

As a result of this year's operations, net position decreased by \$193,466. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – absorbed most of the decrease this year. The balance in net assets of \$1,996,807 represents the accumulated results of all past years' operations.

Our analysis below focuses on the net position of the governmental-type activities:

**STATEMENTS OF ACTIVITIES**

	<b>2013</b>	<b>2012</b>
Total program revenue	\$ 3,567,600	\$ 3,574,992
Total program expenses	3,775,930	3,737,582
<b>Net program loss</b>	<b>(208,330)</b>	<b>(162,590)</b>
General revenues	14,864	11,339
<b>Change in Net Position</b>	<b>(193,466)</b>	<b>(151,251)</b>
<b>Net Position:</b>		
Beginning of the year	2,190,273	2,341,524
<b>End of the year</b>	<b>\$ 1,996,807</b>	<b>\$ 2,190,273</b>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2013**

The total revenues for the year in governmental activities were \$3,582,464 (\$1,723,315 in charges for services, \$1,844,285 in operating and grant contributions, \$1,133 in interest earnings, and \$13,731 in other revenues). The total cost of all judicial programs and services was \$3,775,930.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)**

The District Attorney utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The governmental funds reported a combined fund balance of \$1,872,845. This reflects a decrease of \$162,771 from last year.

**BALANCES SHEET**

	<u>2013</u>	<u>2012</u>
Total Current Assets	<u>\$ 1,951,057</u>	<u>\$ 2,104,995</u>
Total Current Liabilities	<u>\$ 78,212</u>	<u>\$ 69,379</u>
Total Fund Balance	<u>1,872,845</u>	<u>2,035,616</u>
Total Liabilities & Fund Balance	<u>\$ 1,951,057</u>	<u>\$ 2,104,995</u>

**STATEMENTS OF REVENUE, EXPENDITURES, AND CHANGES IN  
FUND BALANCES**

	<u>2013</u>	<u>2012</u>
Total Revenues	<u>\$ 3,569,464</u>	<u>\$ 3,586,331</u>
Expenditures:		
Current	<u>3,711,614</u>	<u>3,687,467</u>
Capital Outlay	<u>20,621</u>	<u>24,516</u>
Total Expenditures	<u>3,732,235</u>	<u>3,711,983</u>
Deficiency of revenues over expenditures	<u>(162,771)</u>	<u>(125,652)</u>
Fund Balance:		
Beginning of the year	<u>2,035,616</u>	<u>2,161,268</u>
End of the year	<u>\$ 1,872,845</u>	<u>\$ 2,035,616</u>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2013**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenue	\$ 3,290,484
Increase (Decrease) due to:	
Fines & Forfeitures	54,477
PTI Fees	(218,531)
Intergovernmental Revenue	140,598
Other	2,154
Interest	(2,024)

<b>Final Budgeted Revenues</b>	<b>\$ 3,267,158</b>
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Original Budgeted Expenditures	\$ 3,369,194
Increase (Decrease) due to:	
Personnel Service	137,686
Auto Repair & Maintenance	2,168
Office Operations	(12,634)
Travel & Conventions	477
Professional Services	(25,294)
Capital Outlay	(44,705)

<b>Final Budgeted Expenditures</b>	<b>\$ 3,426,892</b>
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**CAPITAL ASSETS & DEBT**

**Capital Assets:** The investment in capital assets, net of accumulated depreciation, for the governmental activity as of December 31, 2013 and 2012 was \$82,133 and \$112,789, respectively.

	<b>2013</b>	<b>2012</b>
Equipment & Furniture	\$ 245,519	\$ 252,112
Automobiles	115,467	115,467
Other Equipment	38,771	38,771
Total Cost	399,757	406,350
Accumulated Depreciation	(317,624)	(293,561)
Net Capital Assets	\$ 82,133	\$ 112,789
Depreciation Expense	\$ 39,482	\$ 46,688

This year there was \$9,716 of additions in capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements. The District Attorney also disposed of \$16,309 obsolete assets. These assets were moved out as inactive. The basis remaining totaled \$890.

**Debt:** The District Attorney has no debt outstanding.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2013**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Among the factors considered in compiling the 2014 budget were:

1. any changes in rates and fees for the next fiscal year
2. any personnel changes
3. any new laws and regulations enacted that would apply to the upcoming year
4. any new revenue sources or expenditures not previously encountered.

The District Attorney is dependent on the State of Louisiana and the Parish of Ascension for approximately 34%-36% percent of its revenues. These entities receive a substantial part of their revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years. The budget for the 2014 year is approximately the same as the year 2013's budget.

**CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Sandy Sanchez, Accountant  
District Attorney of the Twenty-Third Judicial District,  
P.O. Box 750  
Donaldsonville, LA 70346  
Phone (225) 473-6777

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$ 1,000,386
Investment in LAMP	820,620
Receivables	46,267
Prepaid insurance	41,829
Due from other governments	63,841
Total Current Assets	<u>1,972,943</u>

**Noncurrent Assets:**

Capital assets, net of depreciation	82,133
TOTAL ASSETS	<u>\$ 2,055,076</u>

**LIABILITIES AND NET POSITION**

**LIABILITIES**

**Current Liabilities:**

Accrued payroll and benefits	\$ 42,208
Other liabilities	16,061
Total Current Liabilities	<u>58,269</u>

**NET POSITION**

Invested in capital assets	82,133
Restricted for grant program	114,959
Unrestricted	1,799,715
TOTAL NET POSITION	<u>\$ 1,996,807</u>

The accompanying notes are an integral part of this financial statement.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

		<u>Program Revenues</u>		<u>Net (Expense)</u>
				<u>Revenue and</u>
			<u>Operating</u>	<u>Changes in</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Grants and</u>	<u>Net Position</u>
		<u>Services</u>	<u>Contributions</u>	<u>Governmental</u>
				<u>Unit</u>
<b><u>FUNCTIONS/PROGRAMS</u></b>				
Governmental activities:				
General Government - Judicial	<u>\$ 3,775,930</u>	<u>\$ 1,723,315</u>	<u>\$ 1,844,285</u>	<u>\$ (208,330)</u>
Total governmental activities	<u>\$ 3,775,930</u>	<u>\$ 1,723,315</u>	<u>\$ 1,844,285</u>	<u>(208,330)</u>
General Revenues:				
Interest				1,133
Other				<u>13,731</u>
Total general revenues				<u>14,864</u>
Change in net position				(193,466)
Net position - January 1, 2013				<u>2,190,273</u>
Net position - December 31, 2013				<u>\$ 1,996,807</u>

The accompanying notes are an integral part of this financial statement.



**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**DECEMBER 31, 2013**

	<u>General Fund</u>	<u>Worthless Check</u>	<u>Title IV-D Fund</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and certificates of deposit	\$ 884,342	\$ 20,106	\$ 95,938	\$ 1,000,386
Investment in LAMP	729,440	91,180	-	820,620
Receivable	7,275	-	38,992	46,267
Due from other funds	19,943	-	-	19,943
Due from other governments	63,841	-	-	63,841
<b>TOTAL ASSETS</b>	<b><u>\$ 1,704,841</u></b>	<b><u>\$ 111,286</u></b>	<b><u>\$ 134,930</u></b>	<b><u>\$ 1,951,057</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>Liabilities:</b>				
Accrued payroll and benefits	\$ 38,315	\$ 837	\$ 3,056	\$ 42,208
Due to other funds	-	3,294	16,649	19,943
Other liabilities	15,795	-	266	16,061
<b>TOTAL LIABILITIES</b>	<b><u>54,110</u></b>	<b><u>4,131</u></b>	<b><u>19,971</u></b>	<b><u>78,212</u></b>
<b>Fund balances:</b>				
Restricted for grant programs	-	-	114,959	114,959
Assigned	-	107,155	-	107,155
Unassigned	1,650,731	-	-	1,650,731
<b>TOTAL FUND BALANCES</b>	<b><u>1,650,731</u></b>	<b><u>107,155</u></b>	<b><u>114,959</u></b>	<b><u>1,872,845</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 1,704,841</u></b>	<b><u>\$ 111,286</u></b>	<b><u>\$ 134,930</u></b>	<b><u>\$ 1,951,057</u></b>

The accompanying notes are an integral part of this financial statement.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

Total fund balances - Governmental Funds		\$ 1,872,845
Cost of capital assets at December 31, 2013	399,757	
Less: accumulated depreciation as of December 31, 2013	<u>(317,624)</u>	82,133
Prepaid insurance		<u>41,829</u>
Total net position at December 31, 2013 - Governmental Activities		<u>\$ 1,996,807</u>

The accompanying notes are an integral part of this financial statement.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>General Fund</u>	<u>Worthless Check</u>	<u>Title IV-D Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Fines and forfeitures	\$ 971,878	\$ -	\$ -	\$ 971,878
Pre-trial intervention fees	726,981	-	-	726,981
Check collection fees	-	24,456	-	24,456
Intergovernmental revenue:				
Police jury and parish councils	357,994	-	-	357,994
School boards	45,000	-	-	45,000
Special District	18,583	-	-	18,583
Grants	16,811	-	-	16,811
State Salary Supplement	999,150	-	-	999,150
Parish Salary Supplement	190,551	-	-	190,551
LA Dept of Social Services	-	-	216,196	216,196
Other	13,731	-	-	13,731
Interest	950	82	101	1,133
<b>TOTAL REVENUES</b>	<u>3,341,629</u>	<u>24,538</u>	<u>216,297</u>	<u>3,582,464</u>
<b>EXPENDITURES</b>				
General Government:				
Current operating:				
Personnel service	2,990,006	39,499	199,300	3,228,805
Auto repair & maintenance	25,896	-	-	25,896
Office operations	400,302	172	11,062	411,536
Travel and conventions	13,186	21	554	13,761
Professional services	41,711	-	2,699	44,410
Other	206	-	-	206
Capital outlay	17,669	-	2,952	20,621
<b>TOTAL EXPENDITURES</b>	<u>3,488,976</u>	<u>39,692</u>	<u>216,567</u>	<u>3,745,235</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<u>(147,347)</u>	<u>(15,154)</u>	<u>(270)</u>	<u>(162,771)</u>
Fund balances - beginning of year	<u>1,798,078</u>	<u>122,309</u>	<u>115,229</u>	<u>2,035,616</u>
Fund balances - end of year	<u>\$ 1,650,731</u>	<u>\$ 107,155</u>	<u>\$ 114,959</u>	<u>\$ 1,872,845</u>

The accompanying notes are an integral part of this financial statement.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

Deficiency of Revenues		
Over Expenditures		\$ (162,771)
Amounts reported for governmental activities in the statement of activities (government-wide financial statements) are different because:		
Governmental funds report capital outlays as expenditures in the individual fund.		
Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.		
Capital asset purchases capitalized	9,716	
Loss on disposal of assets	(890)	
Depreciation expense	<u>(39,482)</u>	(30,656)
Change in prepaid insurance		<u>(39)</u>
Change in Net Position - Governmental Activities		<u>\$ (193,466)</u>

The accompanying notes are an integral part of this financial statement.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2013**

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 14,136	\$ -	\$ 14,136
<b>TOTAL ASSETS</b>	<u>\$ 14,136</u>	<u>\$ -</u>	<u>\$ 14,136</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 14,136	\$ -	\$ 14,136
<b>TOTAL LIABILITIES</b>	<u>\$ 14,136</u>	<u>\$ -</u>	<u>\$ 14,136</u>

The accompanying notes are an integral part of this financial statement.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **INTRODUCTION**

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State within his district, is the representative of the State before the grand jury in his district, is legal advisor to the grand jury, and performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The Twenty-Third Judicial District encompasses the parishes of Ascension, Assumption, and St. James, Louisiana.

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Basis of Presentation**

The accompanying basic financial statements of the 23rd Judicial District Attorney have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis - for State and Local Governments* and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 198 FASB and AICPA Pronouncements*. The more significant accounting policies are described below:

##### **B. Financial Reporting Entity**

This report includes all funds, which are controlled by the District Attorney of the Twenty-Third Judicial District, which was determined on the basis of criteria set forth under Governmental Accounting Standards Board (GASB).

GASB Codification Section 2100, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Even though the District Attorney is an independently elected official and is legally separate from the police jury/parish councils, the District Attorney is fiscally dependent on the police jury/parish councils and is considered a component unit of the police jury/parish councils. Since the District Attorney is a multi-parish district attorney, the District Attorney is reported as a component unit of only one police jury/parish council. The Ascension Parish council is the largest of the parish councils/police juries, therefore the District Attorney is considered to be component unit for financial reporting purposes of Ascension Parish Council. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police juries/parish councils, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity.

Effective in fiscal year 2013, the District Attorney has adopted GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*. Collectively, these statements changed the government-wide statement of net asset from three elements to five, adding deferred outflows and deferred inflows and renamed it as the statement of net position. Certain items previously reported as assets and liabilities are reclassified to deferred outflows or inflows, or are no longer carried on the statement of net position. The implementation of these Statements had not effect on the 2013 financial statements.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Fund Accounting**

**Government-Wide Financial Statements**

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). The District Attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain district attorney functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. All of the judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Net position is reported in three parts – invested in capital assets, restricted for grant program, and unrestricted.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities (judicial). These functions are also supported by general government revenues (interest earned and other miscellaneous revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (interest earned, etc). This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

**Fund Financial Statements**

The financial transactions are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Governmental Funds**

Governmental funds account for all of the District Attorney's general activities. The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used.

Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District Attorney. The following are the District Attorney's governmental funds:

##### **General Fund**

The General Fund was established in compliance with Louisiana Revised Statute (R.S.) 15:571.11, which provides that 12% of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office. The General Fund accounts for the operations of the District Attorney's office.

##### **Special Revenue Funds**

Special Revenue Funds are used to account for fees, fines, and costs collected for a specified purpose or grants to be used for specific purposes that deal with judicial prosecution.

##### **Fiduciary Funds**

##### **Agency Funds**

Agency Funds are used to account for assets held for other funds and/or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Agency funds of the District Attorney include the:

- **Drug Forfeiture Fund** – The Drug Forfeiture fund accounts for monies and proceeds from the sale of property seized or obtained by judgment or settlement as a result of drug-related activities.
- **Bond Forfeiture Fund** – The Bond Forfeiture Fund is used to account for the collection and disbursement of proceeds from the forfeiture of District, Parish, and City Court bail and surety bonds for failure by a defendant to appear in court. The distribution of the proceeds of the bond forfeitures is in accordance with Louisiana Revised Statute 15:571:11 (L) and (M).



**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Major Funds**

The funds are further classified as major based on the total amount of revenue or assets per fund as follows:

General Fund  
Worthless Check Fund  
Title IV-D Fund

**D. Basis of Accounting / Measurement Focus**

**Government Wide Financial Statements (GWFS)**

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No. 33, *Accounting and Financial Reporting for Non-exchange transactions*.

Program revenues included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the District Attorney's general revenues.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Fund Financial Statements (FFS)**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period or within 60 days after year end. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources. Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

##### **E. Budgets and Budgetary Accounting**

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District Attorney prepares an annual budget for the General Fund and the Special Revenue Funds on a modified accrual basis of accounting at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing in December of the previous year and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United State of America (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **F. Compensated Absences**

The District Attorney's policy allows employees to earn leave benefits of up to 10 days of vacation leave and up to 10 days of sick leave per calendar year. After five years of employment, an employee is entitled to have three weeks vacation leave. Two personal days are granted to employees yearly, which cannot be accrued. Employees are allowed to accrue compensatory time when working overtime.

Employees, who resign or retire, are entitled to receive pay for all unused vacation leave and compensatory time that has been accumulated. Employees are not paid for sick leave upon leaving, and sick leave is limited to twenty-five days.

At the end of the current year, employees have accumulated \$12,629 of vacation leave and compensatory time. This amount is recorded as a payable of the General Fund \$12,363 and the IV-D Fund \$266. The entire amount is expected to be paid in the next year. The accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

##### **G. Cash and Certificates of Deposit**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

##### **H. Capital Assets**

All capital assets with an original cost of \$500 or more are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available and depreciated over their useful lives (excluding salvage value). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- |                           |          |
|---------------------------|----------|
| • Furniture and equipment | 5 years  |
| • Auto equipment          | 5 years  |
| • Other equipment         | 10 years |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the fund upon acquisition.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **I. Operating Transfers In and Out**

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

##### **J. Due from Other Governments**

The receivable amounts are made up of fines and fees collected by other governments to be remitted, amounts due on reimbursement grants, and reimbursements for expenditures from other agencies. No reserve for uncollectible is considered necessary for these receivables.

##### **K. Interfund Receivables and Payables**

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the fund financial statement balance sheet.

In the process of aggregating data for the government-wide financial Statement of Net Assets and the Statement of Activities some amounts reported as due to/from balances were eliminated. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on the assets and liabilities within the governmental activities column.

##### **L. Equity Classifications**

###### *Government-wide Statements*

Equity is classified as net position and displayed in three components:

- Invested in capital assets, (net)—consists of capital assets net of accumulated depreciation.
- Restricted net position—consists of assets that are restricted by the DA's grantors (both federal and State)
- Unrestricted net position—consists of all other net assets that do not meet the definition of "restricted" or "invested in capital assets".

###### *Fund Financial Statements*

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the District Attorney or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the District Attorney's highest level of decision-making authority.

Assigned – represents balances that are constrained by the District Attorney's intent to be used for specific purposes, but are not restricted nor committed.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**L. Equity Classifications** (continued)

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the District Attorney reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for the purposes for which committed, assigned, and unassigned amounts are available, the District Attorney reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**M. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. DEPOSITS**

A summary of deposits follows:

*Cash:*

Under state law, the District Attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. The District Attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk is the risk that in an event of a bank failure, the district's deposits may not be returned to it. The government does not have a deposit policy for custodial risk. As of December 31, 2013, these deposits were completely collateralized and/or insured.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**2. DEPOSITS (continued)**

***Investments:***

The District Attorney has \$820,620 investment in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana which was formed by an initiative of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

This investment pool has not been assigned a risk category since the District Attorney has not issued securities, but rather owns an undivided beneficial interest in the assets of this pool.

***Credit Risk and Custodial Credit Risk*** State law limits investments in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. The state investment pool (LAMP) operates in accordance with state laws and regulations. As of December 31, 2013, the District Attorney's investment in LAMP was rated AAA by Standard & Poor's.

**3. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2013 are as follows:

	<b><u>Furniture &amp; Equipment</u></b>	<b><u>Auto Equipment</u></b>	<b><u>Other Equipment</u></b>	<b><u>Total</u></b>
Cost of capital assets, 12/31/12	\$ 252,112	\$ 115,467	\$ 38,771	\$ 406,350
Additions	9,716	-	-	9,716
Deletions	(16,309)	-	-	(16,309)
Cost of capital assets, 12/31/13	<u>245,519</u>	<u>115,467</u>	<u>38,771</u>	<u>399,757</u>
Accumulated depreciation, 12/31/12	175,996	96,304	21,261	293,561
Additions	21,707	9,758	8,017	39,482
Deletions	(15,419)	-	-	(15,419)
Accumulated depreciation, 12/31/13	<u>182,284</u>	<u>106,062</u>	<u>29,278</u>	<u>317,624</u>
Capital assets, net of accumulated depreciation, at 12/31/13	<u>\$ 63,235</u>	<u>\$ 9,405</u>	<u>\$ 9,493</u>	<u>\$ 82,133</u>

Depreciation expense for the year ended December 31, 2013 was \$39,482.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **4. ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS**

A portion of the salaries and benefits of the District Attorney and the Assistant District Attorneys are paid by the State of Louisiana and the Parishes of Ascension, Assumption, and St. James.

In accordance with GASB No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the amount of these salaries and benefits paid on-behalf directly to the District Attorney and the Assistant District Attorneys has been recognized by the District Attorney's Office as revenues and expenditures. The amount recognized in the current year from the State and the Parishes was \$986,150 and \$190,551, respectively.

#### **5. CONTINGENCIES**

**Litigation** – Various lawsuits are pending against the District Attorney. In the opinion of the District Attorney's management, the potential loss on lawsuits will not be material to the District Attorney's basic financial statements.

#### **6. INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables and payables for the individual funds were:

<b>Individual Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General Fund	\$ 19,943	\$ -
Worthless Checks	-	3,294
IV-D Fund	-	16,649
Totals	<u>\$ 19,943</u>	<u>\$ 19,943</u>

#### **7. RISK MANAGEMENT**

The District Attorney participates is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omission; injuring to employees; health insurance for its employees; auto liability; and natural disasters. The District Attorney has purchased commercial insurance for each type of risk to which it is exposed. Settlements have not exceeded insurance coverage in any of the three proceeding years.

#### **8. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended December 31, 2013, expenditures in the worthless check and IV-D funds exceeded appropriations by \$15,154 and \$270, respectively. Deficits are due to decreases in intergovernmental revenues from other local governments. Available fund balance was sufficient to provide for the excess expenditure.

## **DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS**

#### **9. PENSION PLANS**

*Plan Description.* The District Attorney and Assistant District Attorneys, whose salaries are paid by the State of Louisiana and the Office of the District Attorney, are members of the Louisiana District Attorneys' Retirement System (LDARS), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, as a minimum, the amounts paid by the state for Assistant District Attorneys and are under the age of 60 at the time of original employment, as well as all district attorneys, are required to participate in the system.

Any member with 23 or more years of creditable service, regardless of age, may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62.

The retirement benefit is equal to 3% of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100% of his average final compensation.

For members who joined the system after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. Benefits may not exceed 100% of average final compensation. The system also provides death and disability benefits. Benefits are establish or amended by state statute.

The LDARS issues an annual publicly available financial report that includes financial statements and required supplementary information for the LDARS. That report may be obtained by writing to the District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

*Funding Policy.* Plan members are required to contribute 8.0% of their annual covered salary and the District Attorney is required to contribute an actuarially determined rate. The current rate was 10.25% of annual covered payroll from the beginning of the year to July 1, 2013 and 9.75% of annual covered payroll from July 1, 2013 to December 31, 2013. Contributions to the LDARS also include 0.2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriate by the legislature. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney's contributions to the LDARS for the years ending 2013, 2012, and 2011 were \$22,083, \$21,075, and \$29,130, respectively, equal to the required contributions for each year.



**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**10. DEFERRED COMPENSATION PLAN**

All current employees are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan. Through payroll deductions, employees can make pre-tax contributions to this 457 plan from eligible pay. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at anytime. In 2013 and 2012, the District Attorney's office matched employee's contributions up to 7.5%, dollar for dollar. The total employer contributions made for December 31, 2013 and 2012 were \$68,756 and \$64,014, respectively.

**11. OPERATING LEASES**

The District Attorney maintains operating leases for six copiers. The lease term for each of these leases varies for 48-60 months beginning on the date the lease is signed. As of December 31, 2013, the total lease payments were \$21,066. The following is a schedule by years of future minimal lease payments.

<u>December 31,</u>	<u>Future minimum lease payments</u>
2014	\$ 15,978
2015	13,364
2016	13,149
2017	4,967
Total	<u>\$ 47,458</u>

**12. SUBSEQUENT EVENT**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 16, 2014, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**DESCRIPTION OF MAJOR FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**General Fund** – The General Fund accounts for the operations of the District Attorney's office.

**Title IV-D Fund** – The Title IV-D Fund consists of reimbursement grant payments from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

**Worthless Checks Fund** – The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used supplement the salary of the District Attorney.

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 874,050	\$ 928,527	\$ 971,878	\$ 43,351
Pre-trial intervention fees	938,000	719,469	726,981	7,512
Intergovernmental revenue:				
Police jury and parish councils	272,000	313,553	357,994	44,441
School boards	45,000	45,000	45,000	-
Special District	18,000	18,000	18,583	583
Grants	48,000	38,774	16,811	(21,963)
State Salary Supplement	912,200	1,004,395	999,150	(5,245)
Parish Salary Supplement	171,094	187,170	190,551	3,381
Other	10,000	12,154	13,731	1,577
Interest	2,140	116	950	834
<b>Total Revenues</b>	<b>3,290,484</b>	<b>3,267,158</b>	<b>3,341,629</b>	<b>74,471</b>
<b><u>EXPENDITURES</u></b>				
General Government:				
Current operating:				
Personnel service	2,851,994	2,989,680	2,990,006	(326)
Auto repair & maintenance	22,000	24,168	25,896	(1,728)
Office operations	302,600	289,966	400,302	(110,336)
Travel and conventions	15,600	16,077	13,186	2,891
Professional services	122,000	96,706	41,711	54,995
Other	-	-	206	(206)
Capital outlay	55,000	10,295	17,669	(7,374)
<b>Total Expenditures</b>	<b>3,369,194</b>	<b>3,426,892</b>	<b>3,488,976</b>	<b>(62,084)</b>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>				
<b><u>OVER EXPENDITURES</u></b>	<b>(78,710)</b>	<b>(159,734)</b>	<b>(147,347)</b>	<b>12,387</b>
<b><u>FUND BALANCES</u></b>				
Beginning of year	1,798,078	1,798,078	1,798,078	-
End of year	\$ 1,719,368	\$ 1,638,344	\$ 1,650,731	\$ 12,387

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**WORTHLESS CHECK FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>				
Check collection fees	\$ 35,000	\$ 26,088	\$ 24,456	\$ (1,632)
Interest	200	88	82	(6)
<b>Total Revenues</b>	<u>35,200</u>	<u>26,176</u>	<u>24,538</u>	<u>(1,638)</u>
<b><u>EXPENDITURES</u></b>				
General Government:				
Current operating:				
Personnel service	40,000	39,093	39,499	(406)
Office operations	100	109	-	109
Travel and conventions	300	26	172	(146)
Professional services	-	-	21	(21)
<b>Total Expenditures</b>	<u>40,400</u>	<u>39,228</u>	<u>39,692</u>	<u>(464)</u>
<b><u>DEFICIENCY OF REVENUES OVER EXPENDITURES</u></b>	<u>(5,200)</u>	<u>(13,052)</u>	<u>(15,154)</u>	<u>(2,102)</u>
<b><u>FUND BALANCES</u></b>				
Beginning of year	<u>122,309</u>	<u>122,309</u>	<u>122,309</u>	<u>-</u>
End of year	<u>\$ 117,109</u>	<u>\$ 109,257</u>	<u>\$ 107,155</u>	<u>\$ (2,102)</u>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**TITLE IV-D FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>				
Intergovernmental revenue:				
Louisiana Department of Social Services	\$ 186,000	\$ 210,370	\$ 216,196	\$ 5,826
Interest	150	98	101	3
<b>Total Revenues</b>	<u>186,150</u>	<u>210,468</u>	<u>216,297</u>	<u>5,829</u>
<b><u>EXPENDITURES</u></b>				
General Government:				
Current operating:				
Personnel service	197,500	198,715	199,300	(585)
Office operations	14,100	13,555	11,062	2,493
Travel and conventions	600	675	554	121
Professional services	3,000	3,287	2,699	588
Capital outlay	-	1,596	2,952	(1,356)
<b>Total Expenditures</b>	<u>215,200</u>	<u>217,828</u>	<u>216,567</u>	<u>1,261</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u></b>	<u>(29,050)</u>	<u>(7,360)</u>	<u>(270)</u>	<u>7,090</u>
<b><u>FUND BALANCES</u></b>				
Beginning of year	115,229	115,229	115,229	-
End of year	<u>\$ 86,179</u>	<u>\$ 107,869</u>	<u>\$ 114,959</u>	<u>\$ 7,090</u>

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**SCHEDULE OF FINDINGS AND RESPONSES**  
**YEAR ENDED DECEMBER 31, 2013**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the District Attorney of the Twenty-Third Judicial District.
2. No significant deficiencies were reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the District Attorney of the Twenty-Third Judicial District, which would be required to be reported in accordance with *Government Auditing Standards*, were reported during the audit.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**C. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS**

None

**DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT**

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**YEAR ENDED DECEMBER 31, 2013**

**A. FINDINGS-FINANCIAL STATEMENT**

None

**B. FINDINGS-NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS**

None